

80-3259/00033



Office of the Minnesota Secretary of State

Minnesota Public Benefit Corporation / Annual Benefit Report

Minnesota Statutes, Chapter 304A



Read the instructions before completing this form
Must be filed by March 31
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) MNPHARM SBC

2. The public benefit corporation's board of directors has reviewed and approved this report. Attached

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

Please see Attached

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Signature of Public Benefit Corporation's Chief Executive Officer

3/14/2019

Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

DROESER@MNPHARM.COM

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

DAVE ROESER

612-741-7747

Contact Name

Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?

Yes No

Fourth Annual Benefit Report of

MNPHARM, SBC

A Minnesota Public Benefit Corporation

March 01, 2019

This report covers the period of time from January 1, 2018 to December 31, 2018.

History:

MNPHARM was incorporated as one of the first PBC's in Minnesota on January 2, 2015 by Founders Jeff Reinert and Dave Roeser. MNPHARM is a Specific Benefit Corporation (SBC).

We are in the business of Molecular Farming to advance plant-based medicine to *Address Significant Public Health Challenges*.

Management:

- Dave Roeser, Co-Founder & CEO/ 35+ Years in Business
 - Accounting, finance, agriculture, R&D, built and sold several businesses
- Jeff Reinert, Co-Founder & President/ 30+ Years in Business
 - Prod Dev, Manufacturing, Operations, Consulting, built and sold several businesses
- Bryan Roeser CSO / 7+ Years in Business Science
 - Agriculture, R&D and degree in microbial genetics. Research lab & grant experience.
- Dr. James Thompson / Research Scientist
 - Mayo Clinic veteran researcher who joined MNPHARM in 2017 as a on call contract worker.
- Thomas Martin / Chief Compliance Officer
 - Industry veteran who joined MNPHARM in 2018.

Highlight of the Year:

MNPHARM started and achieved several milestones in 2018. Here are some of the important bullet points from this year that will be followed up with briefs in this newsletter.

- cGMP (Current Good Manufacturing Practices) processes
- New Vectors from the lab
- Expanded services with Lyophilizing and Live Cell Assay capabilities.
- Grant
- Second Investor round

- Letters of Support
- Customer acquisition

MNPHARM pursued our Specific Benefit purpose stated in our articles of incorporation by the following:

- We spent much of the year optimizing our Vectors to provide higher yields and consistent results. A recent breakthrough has allowed us to finally reach those goals. This gives us a more “plug and play” capability for additional protein production.
- We added a lyophilization instrument to the lab. This allows us to freeze dry a protein and ship it according to the customers specifications.
- Added ability to conduct Live Cell Assay studies in our lab.
- Awarded a second Regenerative Medicine Minnesota (RMM) grant for the advancement of BMP2, 6 & 7 with fibronectin (FN). Improvement in osteogenic activity corresponded with each BMP’s binding affinity for FN.
- Continued working with 3D printing of connective tissues and bone, where our cost reductions will make these treatments a reality.
- Letters of support (LOS) are important in grant proposals, but also open the doors for future customers and Investors. Different than a letter of intent (LOI): demonstrates the need and market for our products. Several of the support letters came from research areas who will purchase research grade materials from MNPHARM.
- In May, we started the process of becoming cGMP compliant. Good manufacturing practice guidelines provide guidance for manufacturing, testing, and quality assurance in order to ensure that a manufactured product is safe for human consumption or use.
- Partnered with future customer on a NIH grant proposal

MNPHARM succeeded in achieving our specific benefit goals by:

- Found two distributors for VEGF and will start shipping in 2019
- Two different customers hiring MNPHARM to conduct pilot studies to provide proof of concept in making these specific proteins to specifications faster, safer and more cost effective than the current methods of producing these proteins.
- We completed the first half of our second round of investment around mid-year.

Barriers that prevented us from fully achieving our specific benefit purpose to the extent we planned in this reporting year were:

- Funding continues to be a barrier for us to scale up as we need additional funds to hire researchers and more advanced equipment to advance our work.

Certification by the Board of Directors

The undersigned, being all the Directors of MNPHARM, hereby acknowledge and certify that we have reviewed and approved the enclosed FOURTH ANNUAL Report.

DocuSigned by:
Dave Roeser 3/4/2019
D09ACCF728764F4...
Dave Roeser Date

DocuSigned by:
Jeff Reinert 3/4/2019
FFA4AA8784A0496...
Jeff Reinert Date

DocuSigned by:
Dr James Thompson 3/4/2019
C2209FETC8EE4D5...
Dr James Thompson Date

DocuSigned by:
Monica S Wood, MD 3/4/2019
5E11C320E009435...
Dr. Monica Wood, MD Date

DocuSigned by:
Tom Martin 3/4/2019
0DE798A74E294CE...
Thomas Martin Date



Work Item 1075705700039
Original File Number 803259100033

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
FILED
03/20/2019 11:59 PM

Steve Simon

Steve Simon
Secretary of State